

THE FRANKLIN COUNTY BOARD OF SUPERVISORS HELD A PLANNING RETREAT ON TUESDAY, NOVEMBER 29, 2016 AT 1:30 P.M., IN THE BOARD OF SUPERVISORS MEETING ROOM LOCATED IN THE GOVERNMENT CENTER, 1255 FRANKLIN STREET, SUITE 104, ROCKY MOUNT, VIRGINIA.

THERE WERE PRESENT: Cline Brubaker, Chairman
Charles Wagner, Vice-Chairman
Bob Camicia
Ronnie Thompson
Charles Wagner
Tommy Cundiff
Tim Tatum
Leland Mitchell

OTHERS PRESENT: Brent Robertson, County Administrator
Christopher Whitlow, Deputy Co. Administrator
Sharon K. Tudor, MMC, Clerk

Cline Brubaker, Chairman, called the planning session to order.

FINANCING & REFINANCING MONIES

David Rose, Davenport, & Jesse Bausch, Sands Anderson, PC, requested the Board to approve the following resolutions for the Industrial Development Authority and the School Board to meet and approve:

RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY OF FRANKLIN, VIRGINIA (2016 ISSUE)

WHEREAS, the Board of Supervisors (**the “Board of Supervisors”**) of the County of Franklin, Virginia (**the “County”**) directed Davenport & Company LLC (**the “Financial Advisor”**) to prepare a Request for Proposals (**the “RFP”**) to obtain financing proposals to (a) refund the outstanding principal amount of the County's original \$6,500,000 Promissory Note, Series 2005, dated July 13, 2005, as amended on August 25, 2011 and November 1, 2013 (**together, the “Outstanding 2005 Note”**), (b) refund the County's original \$4,897,000 Public Facility Lease Revenue Obligation (Windy Gap Project), Series 2007A, as amended on August 25, 2011 and November 1, 2013 (**together, the “Outstanding Windy Gap Note”**), (c) refund the County's original \$4,253,000 Public Facility Lease Revenue Obligation (Government Center), Series 2007B, as amended on August 25, 2011 and November 1, 2013 (**together, the “Outstanding Government Center Note”**) and (d) finance a portion of a grant to the Industrial Development Authority of Franklin County, Virginia (**the “Authority”**) to fund a business park economic development project to be located in the County (**the “Project”**);

WHEREAS, the Financial Advisor reviewed responses to the RFP for the refunding of the Outstanding 2005 Note, the Outstanding Windy Gap Note and the Outstanding Government Center Note and the financing of the Project and along with the County's Bond Counsel, Sands Anderson PC, Richmond, Virginia (**“Bond Counsel”**) and the County Administrator recommends to the Board of Supervisors acceptance of the proposal (**the “Proposal”**) from Carter Bank & Trust (**the “Lender”**) for such financing with interest rates as set forth in such Proposal and subject to such other terms as set forth therein;

WHEREAS, the Board of Supervisors now requests the Authority to (a) issue, offer and sell its (i) lease revenue refunding bond in an amount of approximately \$6,050,000 (**the “2016A Bond”**) to provide for the refunding of the Outstanding 2005 Note, the Outstanding Windy Gap Note and the Outstanding Government Center Note, including costs of issuing the 2016A Bond, and its (ii) lease revenue bond in an amount not to exceed \$10,000,000 (**the “2016B Bond,” and, together with the 2016A Bond, the “Bonds”**) to provide for the financing of a portion of the cost of the Project, including costs of issuing the 2016B Bond, (b) lease the County's Library (**the “Leased County Property”**) from the County and the Windy Gap Elementary School property (**the “Leased School Property,” and, together with the Leased County Property, the “Leased Property”**) from the Franklin County School Board (**the “School Board”**) for an approximately twenty five year term under a ground lease, and in turn, lease the Leased Property to the County for a term not to exceed the term of the Bonds under a lease agreement with the Authority and, (c) secure the Bonds by an assignment of its rights under such lease agreement (except the right to receive indemnification, to receive notices and to give consents and to receive its administrative expenses) under an assignment agreement, which is to be acknowledged and consented to by the Lender and the County, all in accordance with a bond purchase agreement;

WHEREAS, in order to maintain the "deemed designated" status of the 2016A Bond under the provisions of Section 265(b)(3) of the Internal Revenue Code, the 2016A Bond and the 2016B Bond shall be issued as separate issues at separate times, with the 2016B Bond being issued after the 2016A Bond, but secured on parity with the 2016A Bond with the regard to the pledge of the Leased Property;

WHEREAS, there have been presented to this meeting drafts of the following documents (**collectively, the "Documents"**) in connection with the transactions described above, copies of which shall be filed with the records of the Board of Supervisors:

- a. a Ground Lease, dated as of December 1, 2016, among the County, the School Board and the Authority conveying to the Authority a leasehold interest in the Leased Property described therein (**the "Ground Lease"**);
- b. a Lease Agreement, dated as of December 1, 2016, between the Authority and the County (**the "Lease Agreement"**) conveying to the County a leasehold interest in such Leased Property and providing for the issuance of the 2016A Bond;
- c. an Assignment Agreement, dated as of December 1, 2016 between the Authority and the Lender, assigning to the Lender certain of the Authority's rights under the Lease Agreement and the Ground Lease, which is to be acknowledged and consented to by the County (**the "Assignment Agreement"**);
- d. a Supplemental Lease Agreement, dated as of December 15, 2016 between the Authority and the County, amending the Lease Agreement to provide for the issuance and payment of the 2016B Bond (**the "Supplemental Lease Agreement"**);
- e. a 2016A Bond Purchase Agreement, dated as of December 1, 2016 among the Authority, the County and the Lender, pursuant to which the 2016A Bond is to be issued (**the "2016A Bond Purchase Agreement"**);
- f. a 2016B Bond Purchase Agreement, dated as of December 15, 2016 among the Authority, the County and the Lender, pursuant to which the 2016B Bond is to be issued (**the "2016B Bond Purchase Agreement"**);
- g. a Specimen 2016A Bond; and
- h. a Specimen 2016B Bond.

NOW THEREFORE, BE IT RESOLVED by the Board of Supervisors of the County of Franklin, Virginia:

1. All costs and expenses in connection with the undertaking of the cost of the Project, the refunding of the Outstanding 2005 Note, the Outstanding Windy Gap Note and the Outstanding Government Center Note and the issuance of the Bonds, including the Authority's expenses, the fees and expenses of the County, and the fees and expenses of Bond Counsel, the County Attorney, the Financial Advisor and the Lender, and other fees and expenses related thereto, for the sale of the Bonds, shall be paid from the proceeds therefrom or other funds of the County. If for any reason the Bonds are not issued, it is understood that all such expenses shall be paid by the County and that the Authority shall have no responsibility therefor.
2. The Board of Supervisors hereby instructs the Financial Advisor and Bond Counsel to take all such action as necessary or appropriate to conclude the purchase of the Bonds by the Lender.
3. The following plan for financing a portion of the cost of the Project and the refunding of the Outstanding 2005 Note, the Outstanding Windy Gap Note and the Outstanding Government Center Note is approved. The Authority shall use the proceeds from the issuance of the Bonds to provide for the financing on behalf of the County of a portion of the cost of the Project and the refunding of the Outstanding 2005 Note, the Outstanding Windy Gap Note and the Outstanding Government Center Note and to lease the Leased Property from the County for a lease term of approximately twenty-five years and to lease

the Leased Property to the County for a lease term not less than the term of the Bonds at a rent sufficient to pay when due the interest and principal on the Bonds. The obligation of the Authority to pay principal and interest on the Bonds will be limited to rent payments received from the County under the Lease Agreement, as supplemented by the Supplemental Lease Agreement. The obligation of the County to pay rent under the Lease Agreement, as supplemented by the Supplemental Lease Agreement, will be subject to the Board of Supervisors of the County making annual appropriations for such purpose. The Board of Supervisors on behalf of the County has adopted this resolution as its moral obligation to the repayment of the Bonds. The Bonds will be secured by an Assignment Agreement to the Lender as the holder thereof. If the Board of Supervisors exercises its right not to appropriate money for rent payments, the Lender may terminate the Lease Agreement or otherwise exclude the County and the School Board from possession of the Leased Property. The issuance of (a) the 2016A Bond on the terms set forth in the 2016A Bond Purchase Agreement and (b) the 2016B Bond on the terms set forth in the 2016B Bond Purchase Agreement is hereby approved.

4. The Board of Supervisors hereby approves the Documents and (a) the form of the 2016A Bond in the principal amount of up to \$6,050,000, with a fixed interest rate not to exceed 1.45%, for an amortization of approximately 6 years from its date of issuance, (b) the form of the 2016B Bond in the principal amount of up to \$10,000,000, with a fixed interest rate not to exceed 2.50%, for an amortization of approximately 20 years from its date of issuance, subject to other terms as set forth therein with such changes, including but not limited to changes in the amounts, dates, payment dates and rates as may be approved by the officer executing them whose signatures shall be conclusive evidence of his approval of the same. The County Administrator or Chairman is hereby authorized to determine the final terms of the Bonds, including, but not limited to the principal amount, maturity and amortization, whose determination shall be conclusive, as evidenced by his execution of such Bonds.
5. The Chairman or Vice Chairman of the Board of Supervisors, or either of them, and the County Administrator and Clerk of the Board of Supervisors are each hereby authorized and directed to execute the Documents and such other instruments and documents as are necessary to create and perfect a complete assignment of the rents and profits due or to become due in favor of the Lender, to issue the Bonds, to refund the Outstanding 2005 Note, the Outstanding Windy Gap Note and the Outstanding Government Center Note, to finance the Project and to lease the Leased Property.
6. The County represents and covenants that it shall not take or omit to take any action the taking or omission of which will cause the Bonds to be "arbitrage bonds" within the meaning of Section 148 of the Internal Revenue Code of 1986, as amended (**the "Code"**) or otherwise cause the interest on the Bonds to be includable in gross income for Federal income tax purposes under existing law. Without limiting the generality of the foregoing, the County shall comply with any provision of law that may require the Authority or the County at any time to rebate to the United States any part of the earnings derived from the investment of the gross proceeds from the sale of the Bonds.
7. Any authorization herein to execute a document shall include authorization to deliver it to the other parties thereto and to record such document where appropriate.
8. All other acts of the officers of the County that are in conformity with the purposes and intent of this resolution and in furtherance of the plan of financing, the issuance and sale of the Bonds and the undertaking of the refunding of the Outstanding 2005 Note, the Outstanding Windy Gap Note and the Outstanding Government Center Note and the financing of the Project, are hereby approved and ratified.
9. The County by acceptance of this financing agrees to indemnify, defend and save harmless, to the extent permitted by law, the Authority, its officers, directors, employees and agents from and against all liabilities, obligations, claims, damages, penalties, fines, losses, costs and expenses in any way connected with the Authority, the issuance of the Bonds or the lease of the Leased Property.
10. Nothing in this Resolution, the Bonds or any documents executed or delivered in relation thereto shall constitute a debt or a pledge of the faith and credit of the Authority or the County, and the Authority shall not be obligated to make any payments under the Bonds or

the Documents except from payments made by or on behalf of the County under the Lease Agreement, as amended by the Supplemental Lease Agreement, pursuant to annual appropriation thereof in accordance with applicable law.

- 11. The County intends that a portion of the 2016A Bonds be deemed a “qualified tax-exempt obligation” but to the extent necessary, the County hereby designates, and allocates to the Authority in relation to the issuance of the portion of the 2016A Bond that may not be so deemed and the 2016B Bond, such designation as “qualified tax-exempt obligations” for the purpose of Section 265(b)(3) of the Code. The County does not reasonably anticipate (nor do any of its subordinate entities reasonably anticipate) issuing more than \$10,000,000 in qualified tax exempt obligations during calendar year 2016 for the benefit of the County (other than the portion of the 2016A Bond deemed designated as provided under Section 265(b)(3) of the Code) and the County (and any of its subordinate entities) will not designate more than \$10,000,000 of qualified tax-exempt obligations for the benefit of the County pursuant to Section 265(b)(3) of the Code during such calendar year.
- 12. In the event the County is unable to close on the issuance of the Bonds before the deadline set forth in the Proposal unless otherwise extended and the terms set forth therein are revised to reflect a later closing date with an increase in interest rates, the parameters set forth in Section 4 hereof may be amended by further action of the Board of Supervisors.
- 13. This resolution shall take effect immediately.

ADOPTED THIS 29th DAY OF NOVEMBER, 2016.

CERTIFICATION OF ADOPTION OF RESOLUTION

The undersigned Clerk of the Board of Supervisors of the County of Franklin, Virginia hereby certifies that the Resolution set forth above was adopted during an open meeting on November 29, 2016, by the Board of Supervisors with the following votes:

Aye:

Absent:

Nay:

Abstentions:

Signed this ____ day of December, 2016.

Clerk, Board of Supervisors

(RESOLUTION #07-11-2016)

BE IT THEREFORE RESOLVED, by the Board of Supervisors to approve the aforementioned resolution, for December 2016, as submitted.

MOTION BY: Bob Camicia

SECONDED BY: Tim Tatum

VOTING ON THE MOTION WAS AS FOLLOWS:

AYES: Mitchell, Thompson, Wagner, Cundiff, Camicia, Tatum & Brubaker

**RESOLUTION OF THE BOARD OF SUPERVISORS OF
THE COUNTY OF FRANKLIN, VIRGINIA
(2017 ISSUE)**

WHEREAS, the Board of Supervisors (**the “Board of Supervisors”**) of the County of Franklin, Virginia (**the “County”**) directed Davenport & Company LLC (**the “Financial Advisor”**) to prepare a Request for Proposals (**the “RFP”**) to obtain financing proposals to (a) refund the outstanding principal amount of the Industrial Development Authority of Franklin County, Virginia (**the “Authority”**) original \$8,518,000 Lease Revenue Bond, Series 2013A, dated November 20, 2013 (**the “Outstanding 2013A Bond”**), (b) refund the Authority's original \$1,226,000 Lease Revenue Bond, Series 2013B, dated November 20, 2013 (**the “Outstanding 2013B Bond”**) and (d) finance (i) a portion of a grant to the Authority to fund a business park economic development project to be located in the County, (ii) a solid waste landfill project and (iii) the construction of a public safety station in the County (**together, the “Project”**);

WHEREAS, the Financial Advisor reviewed responses to the RFP for the refunding of the Outstanding 2013A Bond and the Outstanding 2013B Bond and the financing of the Project and along with the County's Bond Counsel, Sands Anderson PC, Richmond, Virginia (**“Bond Counsel”**) and the County Administrator recommends to the Board of Supervisors acceptance of the proposal (**the “Proposal”**) from Carter Bank & Trust (**the “Lender”**) for such financing with interest rates as set forth in such Proposal and subject to such other terms as set forth therein;

WHEREAS, the Board of Supervisors now requests the Authority to (a) issue, offer and sell its (i) lease revenue refunding bond in an amount of approximately \$7,930,000 (**the “2017A Bond”**) to provide for the refunding of the Outstanding 2013A Bond and the Outstanding 2013B Bond, including costs of issuing the 2017A Bond, and its (ii) lease revenue bond in an amount not to exceed \$6,200,000 (**the “2017B Bond,” and, together with the 2017A Bond, the “Bonds”**) to provide for the financing of a portion of the cost of the Project, including costs of issuing the 2017B Bond, (b) lease the Franklin County Government Center and the Essig Recreation Center (**the “Leased Property”**) for an approximately twenty five year term under a ground lease, and in turn, lease the Leased Property to the County for a term not to exceed the term of the Bonds under a lease agreement with the Authority and, (c) secure the Bonds by an assignment of its rights under such lease agreement (except the right to receive indemnification, to receive notices and to give consents and to receive its administrative expenses) under an assignment agreement, which is to be acknowledged and consented to by the Lender and the County, all in accordance with a bond purchase agreement;

WHEREAS, in order to maintain the "deemed designated" status of the 2017A Bond under the provisions of Section 265(b)(3) of the Internal Revenue Code, the 2017A Bond and the 2017B Bond shall be issued as separate issues at separate times, with the 2017B Bond being issued after the 2017A Bond, but secured on parity with the 2017A Bond with the regard to the pledge of the Leased Property;

WHEREAS, there have been presented to this meeting drafts of the following documents (**collectively, the “Documents”**) in connection with the transactions described above, copies of which shall be filed with the records of the Board of Supervisors:

- i. a Ground Lease, dated as of January 1, 2017, between the County and the Authority conveying to the Authority a leasehold interest in the Leased Property described therein (**the “Ground Lease”**);
- j. a Lease Agreement, dated as of January 1, 2017, between the Authority and the County (**the “Lease Agreement”**) conveying to the County a leasehold interest in such Leased Property and providing for the issuance of the 2017A Bond;
- k. an Assignment Agreement, dated as of January 1, 2017 between the Authority and the Lender, assigning to the Lender certain of the Authority's rights under the Lease Agreement and the Ground Lease, which is to be acknowledged and consented to by the County (**the “Assignment Agreement”**);
- l. a Supplemental Lease Agreement, dated as of February 1, 2017 between the Authority and the County, amending the Lease Agreement to provide for the issuance and payment of the 2017B Bond (**the “Supplemental Lease Agreement”**);
- m. a 2017A Bond Purchase Agreement, dated as of January 1, 2017 among the Authority, the County and the Lender, pursuant to which the 2017A Bond is to be issued (**the “2017A Bond Purchase Agreement”**);

- n. a 2017B Bond Purchase Agreement, dated as of February 1, 2017 among the Authority, the County and the Lender, pursuant to which the 2017B Bond is to be issued (**the “2017B Bond Purchase Agreement”**);
- o. a Specimen 2017A Bond; and
- p. a Specimen 2017B Bond.

NOW THEREFORE, BE IT RESOLVED by the Board of Supervisors of the County of Franklin, Virginia:

14. All costs and expenses in connection with the undertaking of the cost of the Project, the refunding of the Outstanding 2013A Bond and the Outstanding 2013B Bond and the issuance of the Bonds, including the Authority's expenses, the fees and expenses of the County, and the fees and expenses of Bond Counsel, the County Attorney, the Financial Advisor and the Lender, and other fees and expenses related thereto, for the sale of the Bonds, shall be paid from the proceeds therefrom or other funds of the County. If for any reason the Bonds are not issued, it is understood that all such expenses shall be paid by the County and that the Authority shall have no responsibility therefor.
15. The Board of Supervisors hereby instructs the Financial Advisor and Bond Counsel to take all such action as necessary or appropriate to conclude the purchase of the Bonds by the Lender.
16. The following plan for financing a portion of the cost of the Project and the refunding of the Outstanding 2013A Bond and the Outstanding 2013B Bond is approved. The Authority shall use the proceeds from the issuance of the Bonds to provide for the financing on behalf of the County of a portion of the cost of the Project and the refunding of the Outstanding 2013A Bond and the Outstanding 2013B Bond and to lease the Leased Property from the County for a lease term of approximately twenty-five years and to lease the Leased Property to the County for a lease term not less than the term of the Bonds at a rent sufficient to pay when due the interest and principal on the Bonds. The obligation of the Authority to pay principal and interest on the Bonds will be limited to rent payments received from the County under the Lease Agreement, as supplemented by the Supplemental Lease Agreement. The obligation of the County to pay rent under the Lease Agreement, as supplemented by the Supplemental Lease Agreement, will be subject to the Board of Supervisors of the County making annual appropriations for such purpose. The Board of Supervisors on behalf of the County has adopted this resolution as its moral obligation to the repayment of the Bonds. The Bonds will be secured by an Assignment Agreement to the Lender as the holder thereof. If the Board of Supervisors exercises its right not to appropriate money for rent payments, the Lender may terminate the Lease Agreement or otherwise exclude the County from possession of the Leased Property. The issuance of the 2017A Bond on the terms set forth in the 2017A Bond Purchase Agreement and the 2017B Bond on the terms set forth in the 2017B Bond Purchase Agreement is hereby approved.
17. The Board of Supervisors hereby approves the Documents and (a) the form of the 2017A Bond in the principal amount of up to \$7,930,000, with a fixed interest rate not to exceed 2.00%, for an amortization of approximately 12 years from its date of issuance, (b) the form of the 2017B Bond in the principal amount of up to \$6,200,000, with a fixed interest rate not to exceed 2.40%, for an amortization of approximately 20 years from its date of issuance, subject to other terms as set forth therein with such changes, including but not limited to changes in the amounts, dates, payment dates and rates as may be approved by the officer executing them whose signatures shall be conclusive evidence of his approval of the same. The County Administrator or Chairman is hereby authorized to determine the final terms of the Bonds, including, but not limited to the principal amount, maturity and amortization, whose determination shall be conclusive, as evidenced by his execution of such Bonds.
18. The Chairman or Vice Chairman of the Board of Supervisors, or either of them, and the County Administrator and Clerk of the Board of Supervisors are each hereby authorized and directed to execute the Documents and such other instruments and documents as are necessary to create and perfect a complete assignment of the rents and profits due or to become due in favor of the Lender, to issue the Bonds, to refund the Outstanding 2013A

Bond and the Outstanding 2013B Bond, to finance the Project and to lease the Leased Property.

19. The County represents and covenants that it shall not take or omit to take any action the taking or omission of which will cause the Bonds to be “arbitrage bonds” within the meaning of Section 148 of the Internal Revenue Code of 1986, as amended (**the “Code”**) or otherwise cause the interest on the Bonds to be includable in gross income for Federal income tax purposes under existing law. Without limiting the generality of the foregoing, the County shall comply with any provision of law that may require the Authority or the County at any time to rebate to the United States any part of the earnings derived from the investment of the gross proceeds from the sale of the Bonds.
20. Any authorization herein to execute a document shall include authorization to deliver it to the other parties thereto and to record such document where appropriate.
21. All other acts of the officers of the County that are in conformity with the purposes and intent of this resolution and in furtherance of the plan of financing, the issuance and sale of the Bonds and the undertaking of the refunding of the Outstanding 2013A Bond and the Outstanding 2013B Bond and the financing of the Project, are hereby approved and ratified.
22. The County by acceptance of this financing agrees to indemnify, defend and save harmless, to the extent permitted by law, the Authority, its officers, directors, employees and agents from and against all liabilities, obligations, claims, damages, penalties, fines, losses, costs and expenses in any way connected with the Authority, the issuance of the Bonds or the lease of the Leased Property.
23. Nothing in this Resolution, the Bonds or any documents executed or delivered in relation thereto shall constitute a debt or a pledge of the faith and credit of the Authority or the County, and the Authority shall not be obligated to make any payments under the Bonds or the Documents except from payments made by or on behalf of the County under the Lease Agreement, as amended by the Supplemental Lease Agreement, pursuant to annual appropriation thereof in accordance with applicable law.
24. The County intends that a portion of the 2017A Bonds be deemed a “qualified tax-exempt obligation” but to the extent necessary, the County hereby designates, and allocates to the Authority in relation to the issuance of the portion of the 2017A Bond that may not be so deemed and the 2017B Bond, such designation as “qualified tax-exempt obligations” for the purpose of Section 265(b)(3) of the Code. The County does not reasonably anticipate (nor do any of its subordinate entities reasonably anticipate) issuing more than \$10,000,000 in qualified tax exempt obligations during calendar year 2017 for the benefit of the County (other than the portion of the 2017A Bond deemed designated as provided under Section 265(b)(3) of the Code) and the County (and any of its subordinate entities) will not designate more than \$10,000,000 of qualified tax-exempt obligations for the benefit of the County pursuant to Section 265(b)(3) of the Code during such calendar year.
25. In the event the County is unable to close on the issuance of the Bonds before the deadline set forth in the Proposal unless otherwise extended and the terms set forth therein are revised to reflect a later closing date with an increase in interest rates, the parameters set forth in Section 4 hereof may be amended by further action of the Board of Supervisors.
26. This resolution shall take effect immediately.

ADOPTED THIS 29TH DAY OF NOVEMBER, 2016.

CERTIFICATION OF ADOPTION OF RESOLUTION

The undersigned Clerk of the Board of Supervisors of the County of Franklin, Virginia hereby certifies that the Resolution set forth above was adopted during an open meeting on November 29, 2016, by the Board of Supervisors with the following votes:

Aye:

Absent:

Nay:

Abstentions:

Signed this ____ day of December, 2016.

Clerk, Board of Supervisors

(RESOLUTION #08-11-2016)

BE IT THEREFORE RESOLVED, by the Board of Supervisors to approve the aforementioned resolution for January 2017 borrowing, as submitted.

MOTION BY: Bob Camicia

SECONDED BY: Tim Tatum

VOTING ON THE MOTION WAS AS FOLLOWS:

AYES: Mitchell, Thompson, Wagner, Cundiff, Camicia, Tatum & Brubaker

IDA APPOINTMENT/BLUE RIDGE DISTRICT/LEO SCOTT

(RESOLUTION #09-11-2016)

BE IT THEREFORE RESOLVED, by the Board of Supervisors to re-appoint Leo Scott to serve on the Industrial Development Authority representing the Blue Ridge District, with said term to expire November 18, 2020.

MOTION BY: Tim Tatum

SECONDED BY: Charles Wagner

VOTING ON THE MOTION WAS AS FOLLOWS:

AYES: Mitchell, Thompson, Wagner, Cundiff, Camicia, Tatum & Brubaker

PHASE I - SOUTHWAY PARK BID AWARD (GRADING & BUILDING OF ROAD TO ST. STANDARDS)

(RESOLUTION #10-11-2016)

BE IT THEREFORE RESOLVED, by the Board of Supervisors to approve Phase I - Southway Park Bid Award to Timmons Group in the amount of \$325,900.00.

MOTION BY: Charles Wagner

SECONDED BY: Leland Mitchell

VOTING ON THE MOTION WAS AS FOLLOWS:

AYES: Mitchell, Thompson, Wagner, Cundiff, Camicia, Tatum & Brubaker

STRATEGIC PLAN UPDATE

A video was played for the Board regarding AN EXPLANATION OF COMMUNITY ATTACHMENT!!!!

Brent Robertson, County Administrator, shared the following PowerPoint with the Board:

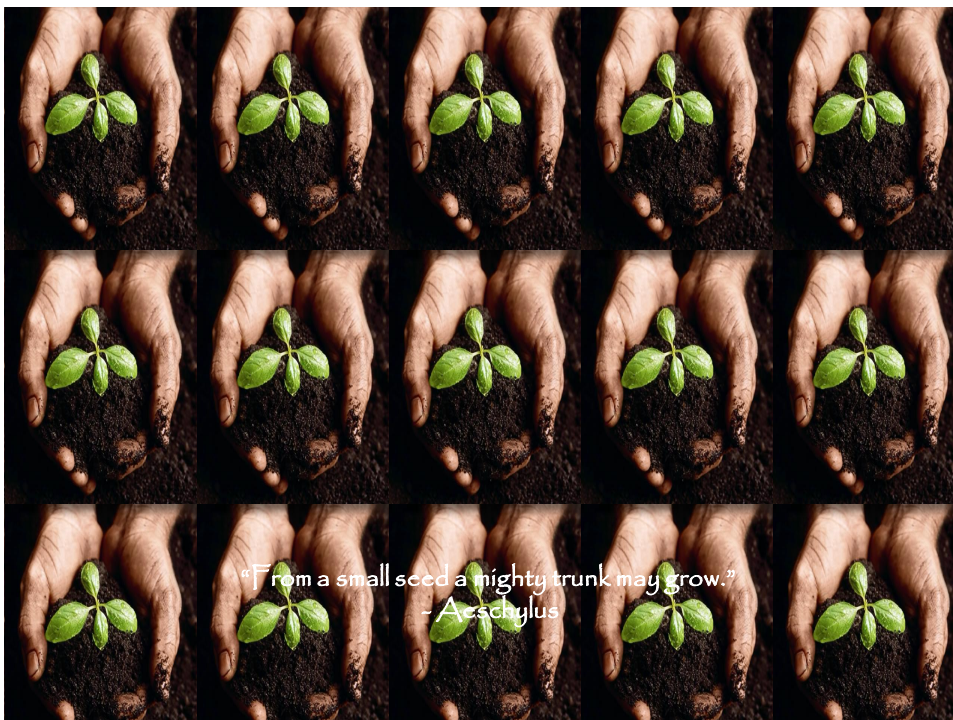


Strategic Plan Update

November 29, 2016

Strategic Plan Update: Agenda

- Welcome and Introductory Comments
 - Meeting Objectives
- BOS Action Items
 - Davenport: Borrowing Update
 - IDA Appointments
 - Business Park: Phase I Development Contract Award
- Overview of Strategic Focus Areas (SFAs)
 - Discuss/refine SFA Goals and Objectives
- Status of Major Projects/Initiatives
 - Fall 2016 thru Summer 2018
 - Linking strategic focus (planning) to resource allocation
- Next Steps





What legacy will we leave for our future generations?

Strategic Focus Areas

December 2015



Community Outcomes?

- What future do you want to create for your community?
 - For the individuals you serve?
- What positive conditions....
 - Do you want to see in your community?
 - Would you like to create in the lives of the individuals you serve?

What would “success” look like if you had a crystal ball and could look deep into the future - for the individuals you serve, and for the community as a whole?

Infrastructure:

Goals & Objectives/Strategies

- **Zoning**
 - Consistency; citizen input
- **Water & Sewer**
 - Targeted development (cost v. effectiveness)
- **Broadband & Cellular Service**
 - Improve access, speed, and reliability
- **Development**
 - Business Centers
- **Transportation**
 - Improve safety and relieve congestion on 220, 40, 122
 - Planning in anticipation of I-73 corridor

Lisa Cooper, Senior Planner briefly touched on the aforementioned Goals & Objectives/Strategies. Areas Zoned and Un-zoned along with the formation of Village Plans started. Ms. Cooper stated as a Planner, how you consistency with managed growth.

The Board expressed their support in preserving the agricultural land in Franklin County, which is a very valuable commodity.

Infrastructure:

- Water/ Sewer development is vital to infrastructure
- Zoning?? Move this to “Managed Growth” section
- Agriculture uses should be protected for those that want to continue farming uses.
- Agriculture/Suburban Interface is a concern
- Maintain right to farm throughout County
- Broadband- What coverage is acceptable?
- Cellular- How can we influence L level cellular coverage in rural areas?
- Cellular ideas for partnerships
 - Ferrum College
 - Partner with Martinsville/Henry County
 - Study what exists/ what is needed where?
 - Consultants
 - Then determine next steps
 - Approach as a way for the county to encourage business/economic development
- Business centers- Each is unique!
- Transportation – High fatalities on secondary roads; what can be done?
- Each area of county needs to be evaluated for independent needs – each is unique
- Route 619 traffic increase
 - Law enforcement
 - Speed
- VDOT traffic counts – need update from VDOT on traffic counts
- I-73 Transportation Tax District
 - Need more information before taking any action
 - What is the scope of the district? Collection and disbursement of taxes. Who determines?

General discussion ensued.

Transportation/Improve safety and relieve congestion on 220, 40, 122 & planning in anticipation of I-73 Corridor. The Board requested traffic counts, increasing, etc. from VDOT to be shared with the Planning Office and then forwarded to the Board.

Brent Robertson, County Administrator requested the Board's view to Senator Stanley's presentation to the Board during their November 15, 2016 meeting. General discussion ensued.

The Board felt they needed additional information on the plan before taking action of endorsement. Too many unanswered questions.

Economic Development

- Retiree growth and “soft infrastructure” go together in many cases
- Medical care is essential to retiree growth. How do we get more medical options in County?
- Need to advertise more about what we have to offer
- Is County utilizing social media appropriately?
- Who is promoting Franklin County? Is County doing this? Need to build on the success of the fair
- Public Information Officer Position?
- Possibility of Ferrum College class to assist with social media promotion.
- Need work session on retiree growth
- Fair was a great success!
- Can County get more healthcare options?
- Tourism- what does it mean?
 - Are we (staff) soliciting hotels/restaurants? Southway?
 - Need more support for farm days and other events
 - Free up Dave R. to do more
 - Remove red tape to help development occur
 - Spend money on promotion
 - Consider “Special Events Coordinator” position
 - Need to get new Secretary of Agriculture to come to Franklin County
 - Promote Agribusiness (e.g. Horse center)
 - Southway Development can spring board tourism, business growth, and soft infrastructure development
 - Tourism needs to do more marketing, social media
 - 2 lakes, 4 rivers, parks & recreation
 - Focus on cultural resources vs. simply historic

Manage Growth

- Citizen input- Communicate with citizens
- Need a mechanism to respond to citizen comments
 - County Admin to respond to comments/questions raised at Board of Supervisors’ meetings

Public Safety

- Retain volunteers!
 - How to retain?
 - Incentives?
 - Recruiting?
 - Partner with high school, college, and businesses
- Community getting older- more calls
- Need to move on volunteer issue ASAP. Needs to be a priority.

Landfill/Collection Sites

- New sites saving space in landfill
- How does Board of Supervisors get word out to citizens about new sites? Thanks for compliance.
- Good responses from citizens; cleaner/safer sites
- Need succession plan for landfill employees; Pay (competitive)
- Enforcement of illegal dumping? Staff /FCSO have issued summons for a couple but not been a big issue.

Southway

- More grant funding available that County can access?
- Do we need grant writers? Can use firms that do grant writing?

Recreation

- Needs assessment for Philpott Lake/ Jamison Mill to determine desired use/services.
- Jamison Mill- could be big asset for County- How do we market?
- Continue to look at opportunities
 - mountain biking, kayak/canoe fishing, Crooked Road, horseback trails, utilize/revive friends of Philpott (Dan River Basin)

Smith Farm

- Are there any access issues with cove that need to be explored/addressed?

Southway

- Do we want to utilize “Moonshine Capital” image?

Broadband/Cellular

- Tom’s Knob site- Is fiber accessible?
- Can we look at using fiber?
- Need to improve cellular service in County

Budget

- Include impact of state’s failure to do 2%

**BLACKWATER DISTRICT IDA APPOINTMENT/MARSHALL JAMISON
(RESOLUTION #11-11-2016)**

BE IT THEREFORE RESOLVED, by the Board of Supervisors to appoint Marshall Jamison to serve on the Industrial Development Authority representing the Blackwater District with said term to expire November 18, 2018, filling the unexpired term of Jesse Jones.

MOTION BY: Charles Wagner

SECONDED BY: Ronnie Thompson

VOTING ON THE MOTION WAS AS FOLLOWS:

AYES: Mitchell, Thompson, Wagner, Cundiff, Camicia, Tatum & Brubaker

Economic Development:

Goals & Objectives/Strategies

- **Enhance relationships with partners**
- **Business Park**
 - Host events, provide recreational and lifelong learning opportunities through venues
- **Tourism Infrastructure**
 - Capitalize on natural and historical assets
- **Increase “Soft Infrastructure”**
 - Recreation, cultural opportunities, restaurants, nightlife.
- **Diversify commercial and industrial base**
- **Promote agribusiness growth**
- **Retiree growth**

Discussion was held on the Tourism Infrastructure. David Rotenizer, Tourism Manager, gave a brief update on how Social Media was utilized in advertising the fair and selling Franklin County.

Ronnie Thompson stated the County needs to do a better job in selling themselves.

Managed Growth:

Goals & Objectives/Strategies

- **Anticipate demographic changes**
 - Particularly growth in senior citizens
- **Targeted Zoning**
 - Consistency between residential, commercial, agricultural, and villages
 - Consider new zoning categories; citizen input
- **Consistent Planning**
 - Complete village plans
- **Link infrastructure planning to growth planning**
 - CIP and Comprehensive Plan/Econ. Dev. Strategy

Citizen Input with the Board. Board members wanted to make sure the citizens was getting the direction of the Board and educating the public of the process. The Board felt we needed a mechanism of HOW TO GET BACK TO THE CITIZENS AFTER THEY HAVE MADE A REQUEST OR CONCERNS. General discussion ensued.

Public Safety:

Goals & Objectives/Strategies

- **Determine appropriate resources to ensure services align with projected needs**
 - Retain volunteers
 - Encourage long-term volunteer training
 - Incentivize volunteer training
 - Improve relations between paid and volunteer personnel
- **Reduce response times**
 - Strategic infrastructure placement
 - Improve incident response training

Retain the Volunteers is more an initiative today than a year ago.

A possible retirement plan for volunteers

An older population in Franklin County with people moving to the area to retire.

Incentive Pay/Volunteers

Education:

Goals & Objectives/Strategies

- **Investing in Young People**
 - Leverage and increase scholarships
 - Align enrollment projections with capital planning
 - Create/maintain partnerships to support education programs
 - Additional focus on “special needs” citizens
- **Promote policies to support education programs**
 - CTE expansion
 - Utilize the Business Park to facilitate education & lab opportunities
 - Continue lifelong learning opportunities
 - Support effective classroom environment
 - Strengthen families

The Partnership with the School Board/Board of Supervisors growing closer.

Bob Camicia stated the most important thing we have going for the County is the Southway Business Park and the CTE will bring a valuable contribution to this County

Operational Effectiveness:

Goals & Objectives/Strategies

- **Attract & retain employees/volunteers that best fit Franklin County’s culture, in order to provide effective services**
 - Competitive compensation
 - Support career progression
 - Succession planning
 - Employee development
 - Enhance and improve community volunteerism
- **Organizational Flexibility**
 - Evaluate policies and service provision
 - Determine appropriate resources to ensure services meet community expectations

Financial Stability:

Goals & Objectives/Strategies

- **Improve/Maintain Bond Ratings**
 - **Long-term Financial Planning**
 - Need for “structural balance”
 - **Comprehensive Capital Planning**
 - Align priorities with ability/willingness to pay
 - **Policy Development & Evaluation**
 - Human resources, procurement, risk mgmt., debt, etc.
- **Diversify Revenue Streams**
- **Study Special Tax Districts**

Major Projects/Initiatives

Fall 2016 – Summer 2018

- **Capital**
 - Landfill Expansion
 - Collection Sites
 - Business Park
 - Animal Shelter
 - Recreation
 - Southway, Smith Farm, Jamison’s Mill)
 - Public Safety Capital
 - Water/Sewer Expansion
 - School Capital
 - CTE, Middle School, Other
 - Social Services facility
 - Telecommunications



Don Smith, Solid Waste Director, advised the Board he has regraded the current landfill cell and it will need to be capped by December 2021. Mr. Smith highlighted the aforementioned Capital Major Projects/Initiatives Fall2016-Summer 2018.

Major Projects/Initiatives

Fall 2016 – Summer 2018

- **Operations**
 - Village Planning
 - Transportation Planning
 - I-73, Rev. Sharing, Smart Scale
 - Capital Maintenance
 - Compensation/Benefits
 - Organizational Development



SOUTHWAY BUSINESS PARK UPDATE

Mike Burnette, Director of Economic Development, highlighted for the Board an update on the Southway Business Park, where have we been and where are we going.

SOUTHWAY BUSINESS PARK

WHERE HAVE WE BEEN & WHERE ARE WE GOING?

December 2015 (11 months ago) – First piece of Business Park Property purchased

Since then:

- Three additional property purchases to make total park 550 acres
- Park has been master planned
- Park has been rezoned
- Park has been environmentally reviewed
- Two initial access roads have been cut in
- Stream Credit Bank creation underway
- Environmental remediation underway
- Boundary survey complete; aerial topo survey underway
- Event Center/Public Space detailed plans underway
- Commitment from Produce Auction to relocate to Park
- Commitment of new business to locate in park
- By January 1, 2017 over \$6.2 million in grants will be applied for
- In process of securing \$12 million in financing for park development

SOUTHWAY BUSINESS PARK

UPCOMING PROJECTS & COSTS

Project Component	Cost	County \$	Other \$ Source	Expected Bill Date
Property Purchases				
Sink Property Purchase #1	\$ 569,027.00	\$ 569,027.00	\$ -	1/10/2017
Sink Property Purchase #2	\$ 570,514.00	\$ 570,514.00	\$ -	1/10/2018
Fike Property Purchase	\$ 1,036,039.00	\$ 1,036,039.00	\$ -	1/10/2017
Flora Property Purchase #1	\$ 230,000.00	\$ 230,000.00	\$ -	1/10/2017
Flora Property Purchase #2	\$ 230,000.00	\$ 230,000.00	\$ -	1/10/2018
Infrastructure				
North Sewer Extension				
Mainline Sewer Extension				
North Water Extension				
Water Tank				
Design (Phase I)	\$ 300,000.00	\$ 300,000.00	\$ -	4/1/2017
Fiber Extension (Phase I)	\$ 250,000.00	\$ 250,000.00	\$ -	4/1/2017
AEP Work (Phase I)	\$ 350,000.00	\$ 350,000.00	\$ -	4/1/2017
Aesthetics				
Signage	\$ 60,000.00	\$ 60,000.00	\$ -	4/1/2017
Silo Repainting	\$ 100,000.00	\$ 100,000.00	\$ -	6/1/2017
Barn Renovations	\$ 250,000.00	\$ 250,000.00	\$ -	6/1/2017

SOUTHWAY BUSINESS PARK

UPCOMING PROJECTS & COSTS

Project Component	Cost	County \$	Other \$ Source	Expected Bill Date	
Roads					
Northern Access	\$ 4,745,200.00	\$ 2,150,000.00	\$ 650,000.00	VDOT ED Access	4/1/2017
			\$ 1,000,000.00	VDOT TPOF	7/1/2017
			\$ 945,200.00	VDOT Revenue Sharing	7/1/2017
Road Design (Phase I)	\$ 300,000.00	\$ 300,000.00	\$ -		11/15/2016
Temporary Road Construction	\$ 50,000.00	\$ 50,000.00	\$ -		4/1/2017
Brick Church to Northern Access (South Segment 3)					
	\$ 2,064,300.00	1,032,150.00	\$ 1,032,150.00	VDOT Revenue Sharing	7/1/2017
Sites					
Site Works, Site Preparation	\$ 300,000.00	\$ 300,000.00	\$ -		4/1/2017
North Region #1 Site (Phase I)	\$ 4,500,000.00	\$ 3,141,000.00	\$ 950,000.00	TICRC Allocation	4/1/2017
			\$ 400,000.00	TICRC Special Projects	

SOUTHWAY BUSINESS PARK					
UPCOMING PROJECTS & COSTS					
Project Component	Cost	County \$	\$	Other \$	Expected Bill Date
Amenities					
Farm House Renovation	\$ 175,000.00	\$ 125,000.00	\$ 50,000.00	DEQ	4/1/2017
Event Center Design	\$ 100,000.00	\$ 100,000.00	\$ -		11/15/2016
Recreation Area Design	\$ 100,000.00	\$ 100,000.00	\$ -		12/20/2016
Recreation Park	\$ 600,000.00	\$ 600,000.00	\$ -		8/1/2017
Tree Buffers	\$ 200,000.00	\$ 200,000.00	\$ -		6/1/2017
Multi-Use Trails (North Area)	\$ 500,000.00	\$ 500,000.00	\$ -		4/1/2017
Produce Auction Building	\$ 600,000.00	\$ 350,000.00	\$ 250,000.00	TICRC Agribusiness	2/1/2017
			\$ 100,000.00	AFID	
	\$ 18,280,080.00	\$ 12,975,130.00	\$ 5,386,350.00		

RECREATIONAL NEEDS

Paul Chapman, Director of Parks & Recreation, briefed the Board on the Jamison Mill. Lots of things can be done with the property. Mr. Chapman asked the Board if they would like to pursue future development. The Board felt a study of recreational needs in this area was needed. Publicizing and marketing this area is a good opportunity to expand the Parks and Recreational needs.

Smith Farm and Southway Parks were highlighted briefly.

TELECOMMUNICATAIONS

Steve Thomas, IT Director, briefed the Board on the Broadband and cell telephone services within the County. General discussion ensued.

Next Steps

- December 20, 2016 - BOS Meeting
 - Budget Development Work Session
 - Long-range financial projections
 - Preliminary revenue projections
 - FY16-17 and FY17-18
 - Overview of Governor’s proposed State budget
 - Draft CIP: FY18-FY27
- Special Budget Meetings?
 - Jan., Feb., Mar. (in-between 3rd Tuesdays)

LEGAL COUNSEL FOR DECEMBER MEETING

The Board named Jim Guynn, Attorney, Guynn & Waddell to serve as Legal Counsel for the Board during the December 2016 regular monthly meeting.

Chairman Brubaker adjourned the meeting.

CLINE BRUBAKER
CHAIRMAN

SHARON K. TUDOR, MMC
COUNTY CLERK